



Office of Worker & Community Transition

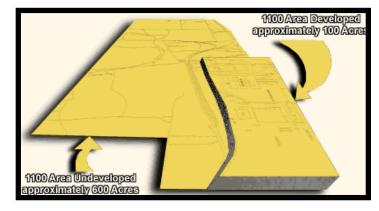
## **Background and Challenge**

In the early 1990's, the Hanford Site experienced a shift in mission from defense production to environmental restoration, resulting in the loss of 5,968 jobs by the end of FY 1998. As a result, the Department of Energy (DOE) began seeking opportunities to stimulate economic growth to alleviate the negative impacts of the work force restructuring. DOE determined that the 1100 Area operating functions could be relocated or eliminated, therefore, making the 1100 Area available for transfer to a third party. In addition, until recently, many facilities on the Hanford Site were heated by steam generated by one of several coal-fired plants located on site. Under the Energy Savings Performance Contract, smaller package boilers were installed, and

the coal-fired plants were shut down. Shipment of coal to the plants had been the primary use of the Hanford rail system. Once these shipments were no longer required, DOE determined that the Hanford rail system was no longer necessary for operation of the site.

# A Snapshot of the 1100 Area

The 1100 Area is a 768-acre tract of land that once formed the southernmost "leg" of the Department of Energy's Hanford



A map of the 1100 Area

Site in Richland, Washington. The 1100 Area is comprised of 100 acres of developed land and approximately 600 acres of underdeveloped land. Additionally, the Southern Rail Connection of the Hanford Railroad, adjacent to the 1100 area, covers 92 acres and includes 16 miles of railroad. The entire area is premium land zoned for industrial use.

## **Transfer for Industrial Development**

On October 1, 1998, the 1100 Area and the Southern Rail Connection of the Hanford Railroad were transferred to the Port of Benton for industrial development. This transfer marked the first time in 40 years that a significant portion of the Hanford Site was transferred to non-federal ownership.





#### **Community Success Stories**

#### 1100 Area Transfer Results in Diversification of the Local Economy

- The 1100 Area and railroad transfer has boosted the regional economy. The DOE Richland Operations Office signed a lease in March 1998 with Livingston Rebuild Center (LRC), a major railroad locomotive repair firm. LRC services customers throughout the U.S., Canada and Mexico, and owns and leases about 100 locomotives. The firm has entered into business relationships with Columbia Basin College, the Pacific Northwest National Laboratory and others in the region.
- The 1100 Area and the southern part of the railroad track now constitute a prime area for development of metals and manufacturing businesses. In September 1998, the City of Richland received a \$1 million grant from the Federal Economic Development Association to build a rail spur to serve manufacturing businesses located in the Horn Rapids Business Park.



The Livingston Rebuild Center (LRC), a locomotive repair firm, has already located at the site and will manage the rail system for the community.

• The recent expansion of Greenbriers-Gunderson Division, the Titan Rail Shops, the new Union Pacific Hinkle Railyard, and the growing operations of the Burlington Northern Tri-Cities Railyard and Locomotive Repair Center evidence the growth in rail activities. Both Burlington Northern and Union Pacific view the 1100 Area as a key center for future rail support development.

#### 1100 Area Transfer Results in Significant Cost Savings

- The transfer of the 1100 Area resulted in net savings of at least \$635,000 a year in operating and facility costs, once the area is fully vacated (currently planned at the end of FY 2000).
- Concurrent to the transfer, DOE shutdown the remaining 108 miles of the site railroad, resulting in savings of \$845,000 per year in maintenance costs.

#### 1100 Area Project Wins Praise

• The project was awarded Vice President Al Gore's Hammer Award and was also nominated for "Project of the Year" in the local chapter of the Project Management Institute.

#### **Contact Information**

For more information on this project or the Office of Worker and Community Transition, please contact:

Roger A. Jacob, Sr. Richland Operations Office 825 Jadwin Avenue P.O. Box 550 MSIN A2-45 Richland, WA. 99352 Phone: (509) 373-9822

FAX: (509) 376-2964

Email:

Roger A SR Jacob@RL.gov

Sean Stockard TRIDEC 901 N. Colorado St. Kennewick, WA 99336 Phone: (509) 735-1000 Fax: (509) 735-6609 Office of Worker and Community Transition US Department of Energy 1000 Independence Avenue, SW Washington, D.C. 20585
Phone: (202) 586-7550
Fax: (202) 586-8403
http:// www.wct.doe.gov